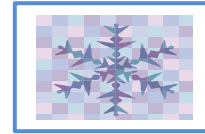


SC DEPARTMENT OF EDUCATION CHIEF FINANCE OFFICE



January 2015
Issue 7

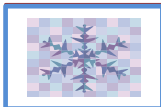
Please use the newly established email for submitting information to Financial Services at financesvcs@ed.sc.gov.

January 2015 A monthly update from the State Department of Education's (SCDE) Office of Finance to local school district business officials. If you have any questions about information in this issue, contact Shatika Spearman at 803-734-8008, Felicia Poston at 803-734-8488 or Melissa Myers at 803-734-8453.

Beginning July 1, 2014, the SCDE discontinued mailing back-up documentation. Instructions on obtaining the back-up documentation is posted at <http://ed.sc.gov/agency/cfo/finance/>. Please use the following link for EIA and EFA payment summaries generated after July 1, 2014, [Payments to School Districts](#).

New Payments in January

- Technology Professional Development, Revenue 3198, Fund 918.
 - Spending guidelines will be sent soon
- CDEPP Supplies, Revenue 3134, Fund 924
 - This is funding for new classrooms at \$10,000 per classroom. One-half of the payment was sent in January and the other half will be sent in February.



CFO UPDATE

To better serve you, we are providing a list of finance employees and their areas of responsibility. Please let us know how we can help you:

Budget & General Finance questions – **Mellanie Jinnette**

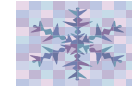
Flexibility & Other Finance Related Questions – **Shatika Spearman**

EIA/General Fund/Lottery Payments; National Board; Medicaid – **Sue Martinez**

PCS; EFA Payments – **Ann Castro**

General Grants Accounting – **Felicia Poston**

For questions regarding specific grants, please refer to the grants accounting staff listing located on the Grants Accounting Section's web page, <http://ed.sc.gov/agency/cfo/finance/Grants-Accounting/documents/ProjectAccountingListUpdated1-13-15.pdf>



FINANCIAL SERVICES

45-Day Student Counts - Update

The 45-day student counts have been posted to Finance's web page.

Based on 45-day student counts, we have had to cap the Base Student Cost at \$2,109.00. This adjustment will be reflected in your January EFA payments. Updated financial requirements are posted.

<http://ed.sc.gov/agency/cfo/finance/Financial-Services/BudgetPlanningforNewSY.cfm>

Please know we are continuing to investigate the categories that have the largest changes as we prepare for 135th day updates.

MOE/Aid to Districts

Now that 45-day data have been finalized, we will compute the need for MOE at the State level. We will have those data available in February. Based on the student counts, we may adjust the MOE payments.

If no additional MOE funding is required, all of those funds will be allocated under the Aid to District line. Districts may transfer funds from Aid to District to MOE as needed using the flexibility procedures.

National Board

For districts who have submitted their verified new NBC teachers, payments began in January. Please continue to let us know if a NB teacher leaves your district or moves into an ineligible position so that your payments may be adjusted.

InSite 2013-14

If you have not already provided your InSite file or general ledger for 2013-14, please do so as soon as possible. The preferred method is via email to Mellanie.

Mileage Rate

The IRS announced a mileage rate of \$.575 cents per mile on January 1, 2015. The SC Comptroller General has also advised state agencies to adhere to this rate for travel reimbursement.

FY 2013-2014 Administrative Cost Reporting

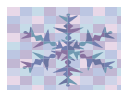
As a reminder, in compliance with Proviso 1.53 districts are to post their Administrative Cost Report to their website no later than 60 days after the December 1 audit submission. Please provide us with a copy of the report or a link to the report on your website. The functions that are to be reported (across all funds) are: 223, 231, 232, 252, 254, 257, 259, 263, 264 and 266.

While there is no specific format for this reporting, at a minimum, the report should include the function, function description and expenditure amount. See example.



AdminReporting13-14
.pdf

When providing a copy to us, please ensure the report is on your district stationery. If you have any questions, please contact Mellanie. The deadline for posting is **January 31, 2015**.

**GRANTS
ACCOUNTING**

IMPORTANT GAPS UPDATE
PLEASE NOTE ADDENDUM FOLLOWING THE
LAST PAGE OF THIS NEWSLETTER.

STATUS OF PROCESS - GAPS

Your patience is appreciated as we work through the development and implementation of GAPS. Slight changes will occur over the next several months as we continue to add enhancements.

The ability to access Reports in GAPS will be released soon. Our goal is to disseminate to our users by the end of January. The Office of Finance will send an email to the finance contacts when this functionality has been moved to Production.

NOTES:

Budget Amendments, Expenditures and Expenditure Refunds ARE entirely functioning in the system.

The entry of Budget Amendments and Expenditures is initiated through the Budget Tab (icons will appear to the right of each function/object combination for Amendment or Expenditure depending on the role of the person logged in).

Budget Amendments aren't available in GAPS unless the original Budget has been approved by the SCDE Program Office. Until that time, the next person in line for the workflow approval can return the item to the previous person without an amendment being necessary. This also applies to expenditures.

Expenditures aren't available for entry until the budget approval has made it through the SCDE program office. Once the budget has been approved, enter the budget tab, go to specific function/object combination and icon will appear to the right for the entry of the expenditure.

The status of an item can be viewed by clicking all the way into the amount.

If a budget item is pending the approval of the SCDE program office, please contact the program office to determine the delay in approving the budget. Expenditures can't be entered in GAPS until the budget is completely approved.

If you encounter any issues, please forward a screenshot and a brief explanation of what you're trying to enter to the Grants Accounting email box at claims@ed.sc.gov. It is very important that you include the top right of the screen in the screenshot so we can see how the role for the person reporting the issue is set up.

ATTENTION!

ALL SUB GRANTS EFFECTIVE 07/01/14 AND AFTER WILL BE PROCESSED THROUGH THE NEW GRANTS ACCOUNTING PROCESSING SYSTEM (GAPS).

STAY TUNED FOR NOTIFICATION OF ONLINE TRAINING AND ACCESS TO THE SYSTEM.

ALL SUB GRANTS THAT WERE EFFECTIVE PRIOR TO 07/01/14 WILL CONTINUE TO BE PROCESSED USING THE OLD PAPER METHOD UNTIL FURTHER NOTICE.

Weekly Payments to School Districts

Weekly payments to school districts are now posted on Finance's webpage at <http://ed.sc.gov/agency/cfo/finance/Grants-Accounting/WeeklyPayments.cfm>.

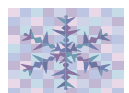
Be on the lookout for further information on the Grants Accounting System for all grant awards beginning July 1, 2014 or thereafter.

Quarterly submission of claims is **HIGHLY** encouraged.

Grants Accounting Questions

We respectfully request that inquiries on payments, expenditure reports, etc. be made via e-mail first.

Please provide us with detailed information so that we can research the concern and promptly respond to you with an accurate answer.

**AUDITING
SERVICES****FY 2014-15 Financial Accounting Handbook**

The FY 2014-15 Financial Accounting Handbook is currently being updated. Please be on the lookout for the revised document. We will notify all school business officials when the handbook is posted. Thank you for your patience.

FY 2013-14 Late Audit Submission

The district superintendent from each LEA who has not met the annual audit requirement stated in the SC Code of Laws will receive correspondence from the State Superintendent of Education indicating noncompliance with the state statute. Each member of your district's school board of trustees and the legislative delegation that represents your district will also receive a copy of the correspondence.

Due to Schedules

Please review the schedule of funds due back to the state and federal government to ensure accuracy. Any payments not due back because of funding flexibility or carryover provisions should **not** be stated on the schedule. Payments made in error cannot be returned.

Fall SCASBO

Please refer to the SCASBO Conference Handouts on the Office of Finance web page at <http://ed.sc.gov/agency/cfo/finance/Financial-Services/> to review information presented on behalf of the SCDE Office of Auditing Services.

LEA Audit Reporting System (LARS)

An instructional video on how to access LARS has been posted on the Office of Auditing Services web page at <http://ed.sc.gov/agency/as/InformationMemosandForms.cfm>.

If you will be a user of the system and do not have rights under the SCDE's Web Access Administrative tool, please get with the Web Access Coordinator from your LEA or sponsoring district from your LEA and CATE centers to have access granted to access the SCDE's member center.

The annual audit report, data collection form, supportive information, and the SCDE Supplemental Schedules for each fund type must be submitted through LARS by December 1.

HAPPY NEW YEAR!

Time and Effort Requirements

Employees whose salary are charged in whole or in part to a federal cost objective must complete either the monthly personnel activity report (PAR) or the semi-annual certification. Certifications are required for those whose salary is charged 100% to a federal cost objective. The PAR is required for any employee whose salary is charged less than 100% to a federal cost objective or to multiple federal cost objectives. These requirements are stated in the Office of Management Budget Circular A-87 "Cost Principles for State, Local and Indian Tribal Governments" Attachment B Section 8h. A link to the circular can be found at <http://ed.sc.gov/agency/as/>.

An example of a PAR and certification are now located on our website at <http://ed.sc.gov/agency/as/documents/FederalSamplePersonnelActivityReport.pdf> and <http://ed.sc.gov/agency/as/documents/FederalSampleSemi-AnnualCertification.pdf> respectively.



Time and Effort Clarification for Food Service

Employees

Food Service employees are exempt from the requirement to prepare personnel activity reports or certifications. However, if the food service employee also works on another federal cost objective, the employee must complete the required time and effort reporting.

Substitute System for PAR's

The USDE recently established guidance allowing an SEA to permit an LEA to use substitute documentation such as a teacher's course schedule as adequate documentation for the time and effort of an individual who works on multiple activities or cost objectives but does so on a predetermined schedule. An individual documenting time and effort under the substitute system would be permitted to certify time and effort on a semiannual basis, provided the LEA's substitute system meets requirements.

Substitute System for PAR's (continued)

In order to use the substitute system, the LEA must certify to the SEA that only eligible employees will participate in the substitute system and that the system used to document employee work schedules includes sufficient controls to ensure that the schedules are accurate. Additionally, the certification must include a full disclosure of any known deficiencies with the system or known challenges with implementing the substitute system. To review this guidance in full along with examples of acceptable substitute system, see <http://www2.ed.gov/policy/fund/guid/gposbul/time-and-effort-reporting.html>.

Annual Audit Guide

Annual Audit Guide – The FY 2013-14 Annual Audit Guide has been posted to the SCDE website at <http://ed.sc.gov/agency/as/ManualsHandbooksandGuidelines.cfm>. The template for submission of the SCDE supplemental schedules is also located on the website under the 2013-2014 Audit Guide link. Please share this information with your independent auditors as it lists **new** audit submission requirements for FY 2013-14 audits.

Miscellaneous Revenue Codes and Subfunds

When allocations to school districts exceed \$500,000 from a single source of funds, a unique revenue code and subfund are assigned to those funds and guidelines for those funds will appear in the Funding Manual produced by the Office of Finance.

If total allocations do not exceed \$500,000, miscellaneous revenue codes and sub funds will be used as follows:

Miscellaneous Revenue Codes and Subfunds

<u>Source of Fund</u>	<u>Revenue Code</u>	<u>Subfund</u>
Misc. State Restricted	3199	800 series *
Misc. EIA	3599	399
Misc. State	3999	General Fund (100)
Misc. Lottery	3699	969
Misc. Federal	4999	800 series *

*Districts choose any subfund available for use in the 800 series.

Financial Manuals

Funding Manual
<http://ed.sc.gov/agency/cfo/finance/Financial-Services/documents/2014-2015FundingManual.pdf>
Accounting Handbook: <http://ed.sc.gov/agency/as/ManualsHandbooksandGuidelines.cfm>
Student Accountability:
<http://ed.sc.gov/agency/cfo/finance/Financial-Services/documents/studentaccountabilitymanual.pdf>
PCS Manual: <http://ed.sc.gov/agency/cfo/finance/Financial-Services/documents/PCSUserManualJuly92014.pdf>
Audit Guide: <http://ed.sc.gov/agency/as/ManualsHandbooksandGuidelines.cfm>
EFA/State Funding
Release Dates
2014-2015

February 20	April 22	June 22
March 20	May 22	

Due Dates for SCDE Reports 2014-2015

Listed below are reports required by the Office of Finance and their due dates for 2014-15. Reports listed below that are identified by a dollar sign (\$) indicate that allocations are based on the information submitted in these reports. To avoid delays in the distribution of the allocations, please ensure that all reports are received in the Chief Financial Office by the specified due date.

April 2	INITIAL MEMBERSHIP/ATTENDANCE 135 DAY REPORT INITIAL STUDENT ACCOUNTABILITY 135 DAY REPORT
April 30	PCS UPDATES FOR 135 DAY FUNDING (\$)
April 30	MEMBERSHIP/ATTENDANCE CERTIFY 135 DAY REPORT (\$) STUDENT ACCOUNTABILITY CERTIFY 135 DAY REPORT (\$) HOME INSTRUCTION REPORT (\$)
June 30	FINAL CHANGES TO PCS FY 2014-15 TECHNOLOGY PROFICIENCY
June 30	FLEXIBILITY REQUEST 2014-15

Questions concerning the above reports may be directed to Shatika Spearman at (803) 734-8008 in the Office of Finance.



Kimberly Moss
Financial Newsletter Editor

GAPS Update – October 21, 2014

- I. **Title I – For FY 15, there will be two grant awards in GAPS** – The total of both will equal project plan submitted
- FY15 Title I – Current year's allocation
 - FY15 Title I Carryover – Carryover funds available from prior year
- II. **14 Year Grant Awards with ending date beyond 7/1/14** – these will be claimed through the old paper process by submission through claims@ed.sc.gov.

Once signed into GAPS, if you can't see create/approve/submit buttons, check to see which role you're signed in as... shown in top right corner of the screen.

- III. **Roles** – You may assign two people for each role within a single grant however one person may only have one role per grant. If an individual is assigned more than one role per grant, the system will override one role for another. Example: A person is given the Grant Coordinator role and Finance Approver role in the same grant. The Finance approver process overrides the system and the grant budget can no longer be entered.

Process 1 - Budgets

- Step 1 – Grant Coordinator (Grant Specific) role will have access to create/budget/budget amendments
- Step 2 – Grant Finance (Grant Specific) role will have access to approve budget/budget amendments. This triggers the workflow to the SCDE Program Office.
- Step 3 – SCDE Program office for approval of budget/budget amendments

Process 2 - Payments

- Step 1 – Grant Finance role will have access to enter expenditures/expenditure refunds.
 - Step 2 – Grants Accounting Finance Approver role will have access to approve expenditures on ALL grants. This triggers the workflow to SCDE Finance Office.
 - Step 3 – SCDE Finance office for approval of expenditure claim for payment
- **Note:** Title II Roles – Set up under Improving Teacher Quality Coordinator and Improving Teacher Quality Finance; Title III Roles – Set up under English Language Acquisition Coordinator and English Language Acquisition Finance

- IV. **All grant roles haven't been created in GAPS yet.** They are being added as allocations are received from the SCDE Program Office.

If you still have issues with your screens looking incorrect and you're sure that the Web Access Coordinator has assigned the roles correctly, try using a different internet browser. If this still doesn't work, please send an email to Felicia Poston at Fgposton@ed.sc.gov.

- V. **Training Tutorials for GAPS**

- Accessing GAPS - <http://www.kaltura.com/tiny/ikqb9>
- GAPS for Grant Coordinators - <http://www.kaltura.com/tiny/nq6dy>
- GAPS for Grant Finance Personnel - <http://www.kaltura.com/tiny/uyviq>

Please note: Other tutorials for Expenditure reporting, Budget Amendments and Expenditure Refunds will be made available in the near future.

Notes for those of you ready to enter expenditures and budget amendments

- I. **Expenditures can't be entered until Budget has been approved by the SCDE program office.**
- II. **Expenditures are entered through the Budget tab – Expenditure icon is to the right of the specific expenditure at the function/object level.** This will be further explained as the expenditure module is developed.

Budget Amendments can be entered any time after a budget has been approved by the SCDE program office. Amendments are entered through the Budget Tab – icon is to the right for amendment
- III. **Expenditure Refunds can be entered into GAPS any time after an expenditure has been approved by SCDE Finance** – funds will be added back to the available budget once the refund check has been received and processed by the SCDE Finance Office.

Other Items of Importance

- I. Please note that all State/EIA grants must **now** be submitted through GAPS and will follow the same payment process as federal awards.
- II. Please make sure any item entered into GAPS has been **submitted** (budget, budget amendment or expenditure) so it will workflow to the next person in the approval process. The **create** and **save** buttons only start and save the items entered. **The submit button is what actually starts the workflow for the next step in the approval process.** The status can be viewed by clicking into the detail of the budget summary or expenditure summary and clicking on the specific function/object to view the status on the right side of the screen. If the status is showing “Pre-submittal”, the item has not been submitted.

Additional Note

Please make sure your Grant Coordinators are summarizing the entry of the budget into GAPS. If not, it will require that all expenditures be split by line item. For example, when the grant coordinators have to complete a grant application or project plan, they are most likely being required to split out salaries by type of activity. However, GAPS is designed to replace the old Budget Report and Expenditure Reports for the Grants Accounting Office so they are summary reports. If your entity prefers, you can enter the budget at the more detailed line item and will summarize them for the budget and expenditure summaries. Please keep in mind, if the budget is entered and approved at a more detailed level but you are “stuck” with that once a budget has made it through the approval process and the expenditures will have to be entered at that detailed level.